



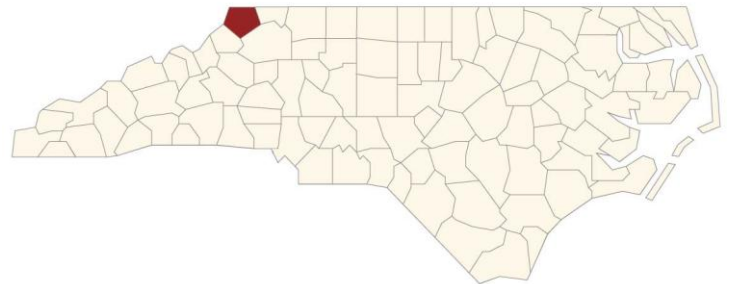
On February 17, 2009, the American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama. ARRA provides increased support to several existing federal programs administered by states, creates new programs such as the State Fiscal Stabilization Fund, and offers opportunities for states to apply for competitive grant programs.

The American Recovery and Reinvestment Act's significant investment in North Carolina totaled almost \$19.5 billion, including assistance for those needing help the most through increases in unemployment benefits, Medicaid payments, and food stamps. In addition to those expanded services, ARRA gives hundreds of thousands of working North Carolinians a break through tax credits like the *Making Work Pay* tax credit and the *First Time Homebuyer's* tax credit.

The Recovery Act is not like earlier attempts to revive the nation's economy. It is not only a one-time infusion of federal funds; instead it is a long-term effort to restore economic expansion in the short-term, as well as prepare the nation's economy for stable, healthy long-term growth. Under the terms of the Recovery Act, support for North Carolina's economy will include both investments made directly by the federal government and investments of federal funds that are made under the oversight of the North Carolina state government.

## American Recovery and Reinvestment Act Report, Ashe County

Ashe County received more than \$62 million in ARRA funding in grants, loans, and bonds. The following report outlines the various funding categories that contributed to the Alamance County total.



**Cars sold:**  
33



**Small Business Jobs:**  
138

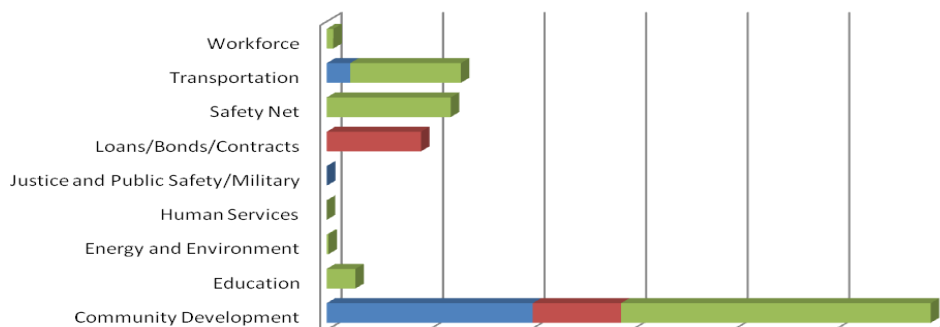


**Appliances rebated:**  
64



**Family homes financed:**  
23

### Ashe County Totals



Sum of Prime Awards Sum of Sub-Awards Sum of Loans/Bonds

**Ashe County,**  
pop 27,281 at a glance:

**Recovery Act Totals:**  
Grants: \$ 44,855,161.78  
Loans: \$15,086,231  
Bond: \$2,896,202

**Total: \$62,837,594.78**



## Education

The Recovery Act placed a special emphasis on maintaining education funding. Governor Beverly Perdue furthered this commitment by pledging additional recovery funds from the Recovery Act to education, and leading North Carolina to additional funds by winning \$400 million in the Race to the Top program.

Most of the ARRA education funds are distributed to local schools through existing funding formulas. Special Education Funds and Title I funds go to schools based on eligible student enrollment. State Fiscal Stabilization Funds (SFSF) and the EduJobs grants were designed to hold schools harmless during the recession, and were distributed to public and charter schools. The school systems have spent the majority of the funds on staff and support. Some projects, such as Race to the Top, will be spent for purchasing products and services rather than salaries for staff.

Authorization for low/no interest bonds for school construction/renovation followed the Department of Public Instruction procedures with initial allotments to the school systems. If a school system could not utilize their allotment, it was released to other school systems that could utilize additional allotments.

**Ashe County schools** received \$3.5 million in education funding, including \$650,000 in Special Education funds, \$500,000 in Title I funds, \$2 million in SFSF funds, \$300,000 in Race to the Top funding and received an \$2.8 million bond allocation.



## Family Assistance

The Federal Department of Agriculture increased funding to their Single-Family home program with the ARRA. These resources assisted families in achieving the American Dream of home ownership through direct financial assistance (grants) or credit (loan guarantees). This program pumped more than \$729 million into North Carolina, providing assistance to more than 5,400 families.

**In Ashe County**, 23 families received assistance through this program totaling more than \$3 million.

The Department of Energy created the Energy Star Appliance rebate program to help stimulate the economy by incentivizing the purchase of new, more energy efficient appliances, and helping consumers by providing long-term savings from their utility bills. The State Energy Office in the North Carolina Department of Commerce managed the program insuring North Carolina residents and retailers received the maximum benefit from this opportunity. North Carolina retailers sold more than 25,500 new energy efficiency appliances through this program, and North Carolina residents will enjoy energy savings for years to come. The program was so successful, that the State Energy Office reprogrammed additional funding to provide discounts to everyone participating in the program, bringing the total program value from \$8 up to \$10 Million.

**Ashe County** retailers sold 64 appliances through the Energy Star Appliance rebate program.



## Small Business Assistance

The ARRA provided tax breaks, increased depreciation of business assets, and incentives for hiring for small businesses through the tax law changes found in Part B of the Act. The Recovery Act also established direct aid programs through the federal Small Business Administration (SBA) and US Department of Agriculture (USDA). These programs provided grants, loans and loan guarantees to grant small businesses access to much-needed operational credit during 2009 and 2010.

**In Ashe County** 4 small businesses received SBA loan guarantees worth almost \$1.4 million. According to the small businesses receiving these loans, the Recovery Act saved or created 138 jobs.



## Farm Assistance

The Supplemental Revenue Assistance Payments (SURE) Program is administered by the Farm Services Administration in the federal Department of Agriculture, which provides assistance to farmers suffering crop losses due to natural disasters. To qualify for the program a farm must have lost at least 10% of one crop during a natural disaster in a declared disaster county, or lost 50% of a crop during a disaster in a non-disaster county. North Carolina farmers received more than \$9 million in total payments under the ARRA-Funded SURE Program.

**In Ashe County**, \$1,910 was received in assistance to farmers because of crop loss to natural disasters.



## CARS Program

The Car Allowance Rebate Program (CARS), more widely known as the 'Cash-for-Clunkers' program, provided an incentive for drivers of older, energy inefficient vehicles to upgrade to new cars. This program also provided a large economic impact in North Carolina, and North Carolina dealers received more than 18,000 trade-in vehicles through this program. North Carolina Car Dealers sold more than \$400,000,000 worth of new cars (recommended MSRP) through the CARS program. North Carolina drivers will save 172,130 miles per gallon through cars purchased through this program.

**In Ashe County**, car dealers sold 33 cars worth more than \$700,000 through the ARRA CARS program.



## Justice and Public Safety Programs

ARRA increased funding to the federal Byrne Justice Assistance Grants Program (JAG). JAG funds were awarded both as a formula allocation to the State, for \$34.5 million, and grants distributed by the Governor's Crime Commission to various local governments and entities. In addition, \$21,853,798 went to 216 local governments across the state for various purposes in line with the requirements of the act. Finally, there is a federal competitive portion that was open to state or local government applicants.

**In Ashe County**, the Federal Department of Justice awarded a JAG grant worth \$20,000.



## Broadband Programs

The Recovery Act funded two dedicated high-speed broadband programs, the USDA's Broadband Initiatives Program (BIP), and the US Department of Commerce's Broadband Technology Opportunities Program (BTOP). The BIP focused on the creation of new service or the expansion of existing services in rural areas, while the BTOP focused on statewide or regional development of important broadband infrastructure. North Carolina received 18 grants under the broadband programs, totaling more than \$283 million.

**In Ashe County**, Skyline Membership Corporation received a BIP award for \$28 million. This grant serves an area between North Carolina and Tennessee, with 93% of the award servicing Ashe and Alleghany Counties.



## Green Energy Programs

One of the goals of ARRA was to provide grants to help conserve energy and assist in the development of a green economy. The State Energy Office in the North Carolina Department of Commerce received large grants for energy conservation under the American Recovery and Reinvestment Act. These grants include the Energy Efficiency Conservation Block Grant (EECBG), funded at just under \$20 million, and the State Energy Plan (SEP), funded at \$70 million. The State Energy Office then used these grants to make awards to businesses, non-profits, and local governments for various purposes.

**In Ashe County**, the town of West Jefferson received a State Energy Program grant worth more than \$30,000.



## Safety Net Programs

Safety net programs are the category of ARRA funding that consists of programs designed to help populations made particularly vulnerable by the economic crisis. These generally include increases in existing programs, most notably the increase in both benefit level and duration of unemployment payments. Increases in the amount and duration of unemployment payments makes up the largest chunk of safety net programs funded through the Recovery Act, totaling more than \$3.5 billion statewide over more than two years. Safety net programs such as unemployment insurance and SNAP (formerly known as Food Stamps), not only benefit the recipient, but have a proven economic impact on a community.

**Ashe County** residents received more than \$9 million in Unemployment Insurance increases during the 2 ½ year ARRA benefits increase. County residents also received \$1.5 million in SNAP benefit increases, and \$1.5 million in one-time payment of \$250 to social security recipients.

## Ashe County Feature Story

### Ashe County receives High Speed Broadband with Recovery Investments

One of the important goals of the American Recovery and Reinvestment Act was to promote the construction of important infrastructure and technological foundation for the 21<sup>st</sup> century economy. High-speed internet, also known as broadband, is one of the great infrastructure challenges of the 21st century. By investing in broadband, ARRA is laying the groundwork for sustainable economic growth, well-paying jobs, and global competitiveness. Like other widespread technological advances, broadband is an enabling technology that will allow for innovations that today cannot be anticipated. These investments have the potential to be transformative. They will create a platform for innovation and entrepreneurship across all sectors of the economy and address many of the state's priorities including healthcare, education, small business, and public safety.



In 2009, the Recovery Act funded the Rural Utilities Service (RUS), Broadband Initiatives Program (BIP), and the National Telecommunications and Information Administration's (NTIA) Broadband Technology Opportunities Program (BTOP). North Carolina is a national leader in broadband, ranking fourth nationally in the award of Recovery broadband projects, receiving more than \$280 million in projects.

SkyLine Telephone Membership Corporation was awarded \$28.9 million in a Recovery-funded BIP grant to expand advanced fiber-to-the-premises services to households, local businesses and anchor institutions in Alleghany and Ashe counties in North Carolina and Johnson County, Tennessee. Of the \$28.9 million awarded, 70 percent of that amount is a grant, while 30 percent will come in the form of a loan to SkyLine. Roughly 90 percent of the project is in North Carolina, and the build is split nearly evenly between Ashe and Alleghany Counties.

Nearly 60 years ago, SkyLine received a significant loan from the Rural Electrification Administration (REA) to help build the cooperative's original telephone system. This new project will encompass the placement of approximately 900 miles of fiber throughout the counties of Ashe, Alleghany, and in the Shady Valley area of Tennessee over the next three years. More than 7,300 residents and businesses will be positively impacted by this project.

With new or increased broadband access, communities can compete on a level playing field to attract new businesses, schools can create distance learning opportunities, medical professionals can provide cost-efficient remote diagnoses and care, and business owners can expand the market for their products beyond their neighborhoods to better compete in the global economy.

The SkyLine Project will employ construction crews, back-hoe operators, cable locators, cable splicers, technicians, warehouse, accounting personnel, engineers, CAD operators, and clerks. Some positions will be filled locally, and some will be contract crews from other locations, but ultimately, the local economy will be enhanced by more dollars being spent in these counties.

"Our members will be the beneficiary of a network that will affect generations to follow--a network that is essentially future proof and able to handle the needs of today, tomorrow and for decades to come," said SkyLine Chief Executive Officer Jimmy Blevins.

"Building a broadband infrastructure is the key to creating jobs and economic opportunity in rural areas," said North Carolina Rural Development State Director Randall Gore.

## Appendix, Ashe County breakout

Federal Agency	Program Title	Recipient name	Recipient role <sup>i</sup>	Prime Amount <sup>ii</sup>	Unique Sub Awards <sup>iii</sup>	Loans	Additional Economic Activity (not counted toward totals) <sup>iv</sup>
	Bonds		P			\$2,896,202.00	
	Cash for Clunkers		S		\$141,500.00		
	Very Low to Moderate Income Housing Loans - Guaranteed	Individuals	L			\$3,143,043.00	
Department of Agriculture	Supplemental Nutrition Assistance Program	Multiple Individuals	S		\$1,502,962.50		
Department of Health and Human Services	Aging Congregate Nutrition Services for States	Ashe Services For The Aging	SV	\$0.00	\$0.00	\$0.00	
	Aging Home-Delivered Nutrition Services for States	Ashe Services For The Aging	SV	\$0.00	\$0.00	\$0.00	
Department of Justice	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government		P	\$20,305.00	\$0.00	\$0.00	
Department of Labor	Unemployment Insurance	Multiple Individuals	S		\$9,049,255.23		
Federal Highway Administration	Highway Planning and Construction	Adams Construction Company	PV	\$0.00		\$0.00	\$2,232,649.25
		North Carolina Department Of Transportation	P	\$2,311,563.00		\$0.00	\$2,311,563.00
		RK&K Engineering , LLP	PV	\$0.00		\$0.00	\$4,978.94
		Vaughn & Melton Consulting Engineers	PV	\$0.00		\$0.00	\$2,297.87
Federal Transit Administration	Formula Grants for Other Than Urbanized Areas	Appalcart	S	\$0.00	\$6,000,000.00	\$0.00	
		The Ashe County Trnsp Auth Inc	S	\$0.00	\$350,180.00	\$0.00	
Food and	Child Nutrition	Ashe County	S	\$0.00	\$29,347.05	\$0.00	

<b>Nutrition Service</b>	Discretionary Grants Limited Availability	School District				
<b>Idaho Operations Office</b>	Energy Efficient Appliance Rebate Program (EEARP)		P		\$7,500.00	\$0.00
<b>National Energy Technology Laboratory</b>	State Energy Program	West Jefferson, Town Of	S	\$0.00	\$30,850.00	\$0.00
<b>Office of Elementary and Secondary Education</b>	State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	Ashe County School District	S	\$0.00	\$1,995,174.00	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Ashe County School District	S	\$0.00	\$328,546.00	\$0.00
	Title I Grants to Local Educational Agencies, Recovery Act	Ashe County School District	S	\$0.00	\$455,846.00	\$0.00
<b>Office of Special Education and Rehabilitative Services</b>	Special Education - Preschool Grants, Recovery Act	Ashe County School District	S	\$0.00	\$25,733.00	\$0.00
	Special Education Grants to States, Recovery Act	Ashe County School District	S	\$0.00	\$654,194.00	\$0.00
<b>Rural Utilities Service</b>	Broadband Initiatives Program	Allied Telesys	PV	\$0.00		\$0.00
						\$21,603.04
				\$0.00		\$0.00
		Appalachian Utilities, Inc.	PV	\$0.00		\$0.00
				\$0.00		\$0.00
		Goldfield Telecom	PV	\$0.00		\$0.00
				\$0.00		\$0.00
		Graybar Electric	PV	\$0.00		\$0.00
				\$0.00		\$0.00
		Power & Telephone Supply Co.	PV	\$0.00		\$0.00
				\$0.00		\$0.00
		Skyline Telephone Membership Corporation	P	\$0.00	\$8,695,588.00	\$8,695,588.00
				\$20,289,706.00		\$0.00
					\$1,025,100.00	\$20,289,706.00
<b>Small Business Administration</b>	Loans	Hometown Furniture	L			



		Outlet, Inc							
		Letitia L.	L					\$7,500.00	
		Ballance, Dds, Pa							
		Mountaineer	L					\$1,865,000.00	
		Capital LLC							
		Stone Work By	L					\$350,000.00	
		Gareth Jordan							
<b>SSA</b>	Social Security Economic Recovery Act Payments	Multiple Individuals	P					\$1,662,500.00	
<b>Grand Total</b>							\$22,621,574.00	\$22,233,587.78	\$17,982,433.00 \$35,051,816.07

<sup>i</sup> Recipient Role are as follows: P is a prime recipient; S is a Sub-recipient; PV is a vendor to a prime recipient; SV is a vendor to a sub-recipient; L is a loan recipient.

<sup>ii</sup> Prime Amounts are unique prime awards within a county. These are entities who have received funding directly from a federal agency, and are required to report directly to [www.federalreporting.gov](http://www.federalreporting.gov)

<sup>iii</sup> Unique Sub Awards are amounts that flow into a county from a source that is NOT directly from a Federal Agency. Generally these are funds awarded to the North Carolina State Government that have been directed to a local source.

<sup>iv</sup> Additional Economic Activity are economic activity attributable to a previous funding category. They may be a sub award by a prime recipient within a county, or a contract funded by one of the previous three columns. This economic activity is not counted toward the county total.